

BUSINESS CLEARANCE MEMORANDUM

Number **20-0304**

SECTION I – COVER AND SIGNATURE PAGES.

<p>Type of Procurement Action: <input type="checkbox"/> Single Award Contract Task Order/Delivery Order <input checked="" type="checkbox"/> Multiple Award Contract (MAC) Task Order/Delivery Order: <input checked="" type="checkbox"/> Order Competed Under Fair Opportunity <input type="checkbox"/> Fair Opportunity Exception Applies: FAR 16.505(b)(2)(i)(C)</p>	<p>Type of Clearance: <input checked="" type="checkbox"/> Pre-Negotiation <input checked="" type="checkbox"/> Post Negotiation Additional Details: _____ Letter Contract</p>
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Solicitation/Contract Number: IT Services MAC – RFTOP #0003 Cybersecurity Support Services
Activity: Naval Information Warfare Center, Pacific (NIWC Pacific)

Contractor: Strategic Data Systems
Address: 1854 Keller Parkway, Suite A
City/State: Keller, TX
DUNS: 020134933
CAGE Code: 1KKU1

Program Title: RDT&E Network Infrastructure Support, Code 82700

NAICS Code: 541330 – Engineering Services
PSC: D310 - IT and Telecom- Cyber Security and Data Backup

Clearance Total:

Pricing Structure Cost Plus Fixed Fee (CPFF)	Proposed/Negotiated	
Labor Hours	(b)(3) 10 U.S.C. § 2305(g), (b)(4)	
Prime Labor Cost		
Total Cost		
Subcontractor Cost		
Fee/Profit		
CPFF Total		
Clearance Total (CPFF):		\$7,579,451.54

Performance Period:
Start: Date of Award
End: Three (3) Years thereafter (With Options Exercised)

Prepared By:

<p>Name: Jessica Matias Title: Contract Specialist Phone: 619-553-4349 Date:</p>	<div style="background-color: #cccccc; width: 100%; height: 40px; margin-bottom: 5px;"></div> <p>(b)(6)</p> <hr style="width: 80%; margin: 0 auto;"/> <p>Signature</p>
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Recommendation: Approval is requested to award a task order to Strategic Data Systems (SDS) under the IT services MAC contract N66001-20-D-3411, task order N66001-21-F-0046 in the amount identified on page 1 of this memorandum. The proposal from SDS is determined to be fair, reasonable, and able to provide the best value to the Government.

(Note: Per FAR 15.404-4(c)(4)(ii), the Contracting Officer's signature on the price negotiation memorandum documents that the statutory price or fee limitations have not been exceeded.)

Contracting Officer:

(b)(6)

Signature

Printed Name: David Roden

Phone: 619-553-2087

Date: 11-3-2020

Unconditional Approval X

Not Approved

Conditional Approval

Conditions (If applicable):

SECTION II – KEY DOCUMENTS/EXHIBITS/ATTACHMENTS.

A. Summary of Key Documents.

Procurement Documentation Summary	
1. Acquisition Strategy/Plan:	This effort will be within the scope of Acquisition Strategy/Plan (AS/AP) that was approved prior to award of the basic contract
2. Procurement Request:	1300889317
3. Solicitation:	Task Order RFP 0003
4. Contractor(s) Proposal(s):	<ul style="list-style-type: none">••••••••••• <p>(b)(3) 10 U.S.C. § 2305(g), (b)(4)</p>
5. Proposal Evaluation Reports (as applicable):	
DCAA/DCMA Report(s): See DCAA and DCMA Attachments below	

B. Attachments

1. Independent Government Cost Estimate dated
2. Statement of Work dated 07 May 2020
3. Task Order Request for Proposal #0003 dated 07 May 2020
4. Amendment 0001 dated 15 May 2020
5. Amendment 0002 dated 21 May 2020
6. Amendment 0003 dated 10 September 2020
7. Amendment 0004 dated 14 September 2020
8. Technical Evaluation Report Dated 20 October 2020
9. Consolidated Q&A dated 21 May 2020
10. SDS Defense Contract Audit Agency (DCAA) Provisional Billing Rates (PBR) dated 11 May 2020
11. (b)(3) 10 U.S.C. § 2305(g), (b)(4) Defense Contract Management Agency (DCMA) Forward Pricing Rate Recommendation (FPRR) dated 07 July 2020
12. (b)(3) 10 U.S.C. § 2305(g), (b)(4) PBR dated 10 May 2020
13. (b)(3) 10 U.S.C. § 2305(g), (b)(4) FPRR dated 05 May 2020

SECTION III – PRE-SOLICITATION INFORMATION.

The purpose of this business clearance is stated in the “Recommendation” section on page 2 above.

A. Detailed Description of Supplies/Services.

The NIWC Pacific Information Technology Division, Code (82000), has a requirement for professional and technical Cybersecurity support services in the following areas:

- Authorization and Accreditation (A&A)
- Continuous Monitoring
- Navy Qualified Validator (NQV) 3.2
- Vulnerability Management
- Cybersecurity Workforce (CSWF)
- Compliance, Assessment, Monitoring and Policy
- Cybersecurity Operations
- Defense Application Database Management System (DADMS)

B. Background.

1. **Procurement history (as applicable).** This is a follow on tasking to efforts awarded under N00178-14-D-7651-7N01, Cameron Bell Corporation (GovSG)
2. **Acquisition environment.** This acquisition will be procured under the IT Services Small Business Multiple Award Contract. There are eleven (11) potential contract awardees including: Atlas Technologies, Cameron Bell Corporation (GovSG), DirectViz Solutions, FreeAlliance LLC, Infinity Systems Engineering, LLC, Information System Solutions, Inc., Joint Tactics Technologies (JTT), New Direction Technologies Inc., Resource Management Concepts, Inc., Sentar Inc., Strategic Data Systems, Inc.

For this task order Request for Proposal (RFP), ten (10) of the MAC holders submitted proposals in response to the TORFP.

For this task order Request for Proposal (RFP), ten (10) of the eleven (11) contractors advised that they would be submitting a proposal and one (1) of the contractors provided a no bid (b)(4). On 14 May 2020, (b)(4) notified the contract specialist via email that (b)(4) (b)(4) (b)(4) The primary place of performance for this requirement will be on site at NIWC Pacific facilities, in San Diego, California.

- C. **Independent Government Estimate (IGE).** To develop the IGCE, Government subject matter experts (SME) relied on expert engineering judgment and historical data from previous efforts. The IGCE for this effort was drafted utilizing the Government’s estimate of labor hours necessary to perform the requirements of the SOW contemplated by this action. The IGCE included an escalation rate of (b)(5) for fringe, (b)(5) or overhead, and (b)(5) or G&A. The total IGCE is (b)(5). Table 1 summarizes the IGCE.

Table 1 Independent Government Cost Estimate				
	Base Year	Option Year 1	Option Year 2	Grand Total
Totals		(b)(5)		

- a. **Method used for IGE development.** The IGCE was developed by the Government SMEs, who utilized their expert engineering judgement and average labor hours based on historical data under the (b)(5). The following reflects the base year labor hours, which was shared with the competing contractors in the task order request for proposal (TORFP).

Table 2: Labor Mix and Hours				
Labor Category	Base Period	Option 1	Option 2	Total
Cybersecurity Analyst I	7,680	7,680	7,680	23,040
Cybersecurity Analyst II	15,360	15,360	15,360	46,080
Administrative Support	13,440	13,440	13,440	40,320
Program Manager	480	480	480	1,440
TOTAL	36,960	36,960	36,960	110,880

- b. **Assumptions made.** In developing the IGCE, the SME assumed that the contractor has performed similar work and has the engineering and management expertise to perform the effort.
- c. **Information estimating tools used.** Not Applicable.

d. Source of information. The Government SME utilized labor categories and hours from the previous task orders and contracts (b)(5) of this BCM.

D. Type of Contract. The contract type for this task order is cost-plus-fixed-fee (CPFF) for services. Other Direct Costs (travel) are not anticipated for this effort, and therefore an ODC CLIN is not included. This contract type is in accordance with the recommended awardee's basic contract N66001-20-D-3411. There are no terms for firm fixed price orders. The proposed period of performance for this requirement as solicited was for a Base Period of Twelve (12) months, and two (2) One-Year Option Periods. Option periods will be exercised, if desired, by the Government and in the Government's best interest. The TORFP included the following language: "IAW FAR 52.217-9 of the awardee's base contract, option periods may be exercised by a unilateral modification to the task order by the Contracting Officer on or prior to the end of the task order performance period."

E. Source Selection Planning. The Government advised that this is a best value trade-off procurement, i.e., the offer which represents the greatest overall value to the Government, price and non-price factors considered, will be selected for award. Neither the low cost, nor the highest technically rated proposal will automatically receive the award. Cost and non-cost factors will both be considered in making the trade-off decision. Any proposal with a Performance Confidence Assessment of Limited Confidence or No Confidence AND a Desired Key Personnel Experience rating of Unacceptable or Marginal will be ineligible for award.

Within the non-cost factors, Factor 1 is more important than Factor 2. All non-cost evaluation factors, when combined, will be of significantly more importance than cost.

The Government intended to make an award based on initial proposals received, and therefore offerors were advised to provide their most competitive and complete proposal that contained the offeror's best terms from a price and technical standpoint with the assumption that there would not be an opportunity to revise their proposal. However, after the receipt of proposals the Government reserves the right to, with or without notice, negotiate with, and if desired, seek proposal revisions from as many or as few Offerors as it, in its discretion, deems appropriate.

Proposals were evaluated using the following technical evaluation factors:

Factor 1: Past Performance

Factor 1: Submission Requirements

- Prepare and submit up to three Reference Information Sheets (Attachment 6) to explain the recency, relevance and quality of your past performance on Government contracts¹ since 1 January 2015. Cite at least one reference for work performed by the prime offeror, no more than one (1) reference per subcontractor, and no more than three (3) references total. Cite references in the following order: work performed by the prime, then work performed by the subcontractor(s).

Part 15 of the Reference Information Sheet requires offerors to provide a summary description of contract work, **not to exceed two (2) additional single-sided pages in length**, for each cited reference. In completing these summary descriptions, offerors must explain the relevance of each cited reference with respect to the following key areas of the SOW for this requirement:

- 3.1 Authorization and Accreditation (A&A)
- 3.2 Vulnerability Management
- 3.3 Compliance, Assessment and Monitoring

¹ The references shall be for stand-alone ("C" type) contracts or Task Orders (TOs) for the performance of actual technical requirements. Master contract vehicles (e.g., Blanket Purchase Agreements [BPAs] and Indefinite Delivery/Indefinite Quantity [IDIQ] contracts) will be considered as long as the summary descriptions of contract work (i.e., Block 15 of the Reference Information Sheets) refer to specific task orders performed and not the generic overarching BPA or IDIQ requirements.

Offerors shall clearly format the response to separate the discussion for each key area of the SOW. Do not provide a consolidated response for multiple key areas of the SOW.

- For each Past Performance Reference, the offeror shall submit the most recent performance assessment from the Contract Performance Assessment Reporting System (CPARS). For contract actions where past performance information does not reside in CPARS, offerors shall contact their past performance references (Government COR/TPOC/PCO) and request that each reference complete Attachment 5 “Past Performance Questionnaire” and e-mail the completed survey form, before the due date of this solicitation, directly to the Contract Specialist identified in the RESPONSE section below. The Government may consider questionnaires received after the due date of the solicitation.
- For each Past Performance Reference, the offeror shall also submit the final version of the Government SOW/PWS that corresponds to the referenced contract. For references for work performed as a subcontractor, either the prime-level PWS/SOW or the subcontract level PWS/SOW/Subcontract Agreement will suffice.
- The Government reserves the right to use past performance information obtained from sources other than those identified by the offeror. This past performance information will be used for the evaluation of past performance.
- The Government does not assume the duty to search for data to cure the problems it finds in the information provided by the offeror. The burden of providing thorough and complete past performance information remains with the offeror.

Factor 1: Evaluation

The Government will evaluate the offeror’s demonstrated recent and relevant record of performance in supplying services that meet the requirements contained in the SOW to establish one performance confidence assessment rating for each offeror.

There are three aspects to the past performance evaluation. The first is to evaluate the recency of the offeror’s past performance. To be deemed recent, the work must have been performed since 1 January 2015. If a reference is not deemed recent, that reference will not be evaluated in the second or third aspects of this evaluation factor. The second aspect is to evaluate the relevance of the offeror’s past performance to the key areas of the SOW, specifically sections 3.1, 3.2 and 3.3. Relevance may include, but is not limited to, similarity to work contemplated under the RFP (i.e. work associated with the key areas of the SOW) with respect to complexity, scope, and type of work. Past Performance relevancy will be rated as follows: Very Relevant, Relevant, Somewhat Relevant, or Not Relevant.

For evaluation purposes, it should also be noted that these key SOW areas will not be evaluated as subfactors.

The third aspect of the past performance evaluation is to establish the overall quality of the offeror’s past performance. Only recent past performance deemed Somewhat Relevant or better will be evaluated in this third step. The Government will review this past performance information (to include CPARS and/or questionnaires) and determine the quality and usefulness as it applies to a performance confidence assessment. The Government’s performance confidence assessment will consider the CPARS submitted by offerors, Past Performance Questionnaires submitted by offeror references, their own experience with offerors, and information from third-party references relating to the following areas:

(1) Quality - Conformance to contract requirements, specifications and standards of good workmanship, accuracy of reports, technical excellence, reliability.

(2) Schedule - Timeliness of performance with regard to contract milestones, delivery/performance schedules, administrative requirements, actions that contribute to or affect schedule variance, contractor corrective actions.

(3) Cost Control - Effectiveness in forecasting, managing and controlling contract cost; demonstrated sense of cost responsibility, efficient use of resources, cost savings; current, accurate and complete billings; actual cost/rates reflect closely to negotiated cost/rates.

(4) Management - Integration and coordination of all activity needed to execute the contract, specifically the timeliness, completeness and quality of problem identification, corrective action, history of reasonable and cooperative behavior, customer satisfaction; responsiveness; subcontract management (when applicable); program management; management of key personnel (when applicable).

(5) Utilization of Small Business - Effective program to maximize the participation of small business concerns in Federal agency contracts. Compliance with FAR 52.219-8 “Utilization of Small Business Concerns.” Compliance with FAR 52.219-9 “Small Business Subcontracting Plan” (applicable only if FAR 52.219-9 is included in the contractor’s basic contract).

(6) Regulatory Compliance - Compliance with all terms and conditions in the contract relating to applicable regulations and codes, to include – when applicable – compliance with financial, environmental, safety and labor regulations as well as any reporting requirements.

The Government will review this past performance information and determine the quality and usefulness as it applies to a performance confidence assessment as follows: Substantial Confidence, Satisfactory Confidence, Neutral Confidence, Limited Confidence, or No Confidence. An offeror without a record of relevant past performance, or for whom information on past performance is not available, may not be evaluated favorably or unfavorably on past performance. Such offerors will receive a rating of Neutral Confidence.

Factor 2: Desired Key Personnel

Factor 2: Submission Requirements

The offeror shall include one resume for each of the Key Personnel (for a total of 3 resumes) that will provide support under the following labor categories: Cybersecurity Analyst II (2 FTEs) and Cybersecurity Analyst I (1 FTE). These individuals shall be proposed for 1,920 hours per year. These individuals will be considered Key Personnel and will be listed in the Key Personnel text incorporated in the resulting award (see item 9 of ‘Additional Provisions’ below). **If any resume submitted is for a candidate not currently employed by the prime/subcontractor, the offer shall include a copy of the signed Letter of Intent (which will not count against their total resume page limit). As part of the resume submission for each candidate, they shall include a copy their commercial certification that fulfills the applicable requirement listed below** (which will not count against their total resume page limit). The resume(s) should focus on experience in the past five (5) years and shall include the following minimum information:

1. Employee name
2. Labor Category
3. Years of professional experience
4. Current position/title
5. Educational history
6. Chronology of professional experience
7. Current level of security clearance
8. Cybersecurity Workforce (CSWF) certification status
9. Relevant professional training

Note: All contractor personnel shall possess the required security certifications and training in accordance with DoD 8570.01-Manual.

Table 3: Key Personnel Desired Qualifications		
PWS/SOW Section(s)	Labor Category	<i>Desired Qualifications</i>

3.1	Cybersecurity Analyst II	<ol style="list-style-type: none"> 1. Bachelor's Degree in (STEM), or an Information Technology (IT) related field AND five (5) years of relevant work experience, OR Associate's Degree in an Information Technology (IT) related field AND eight (8) years of relevant work experience, OR High School Diploma or equivalent AND ten (10) years of relevant work experience. 2. Commercial certification meeting or exceeding DoD 8570.01M requirements for IAM-3 (one of the following: CISSP, CISM, GSLC, CCISO) (MUST provide a copy of the certification; won't count against total resume page limit) 3. Four (4) years of demonstrated experience in Risk Management Framework (RMF) to include performing ALL of the following: <ol style="list-style-type: none"> a. Policy development and enforcement b. eMASS package development c. Assessment and Authorization (A&A) processes d. Information Assurance Vulnerability Management (IAVM) and Computer Task Order (CTO) process and reporting e. Testing and analysis of IA controls and secure configuration using the Assured Compliance Assessment Solution (ACAS) f. Analyzing system configuration per DISA STIG using STIGviewer, SCC, and OpenSCAP 4. Demonstrated knowledge of RMF National Institute of Standards & Technology (NIST) 5. Qualified Navy Validator (QNV) or equivalent is preferred.
3.1	Cybersecurity Analyst II	<ol style="list-style-type: none"> 1. Bachelor's Degree in (STEM), or an Information Technology (IT) related field AND five (5) years of relevant work experience, OR Associate's Degree in an Information Technology (IT) related field AND eight (8) years of relevant work experience, OR High School Diploma or equivalent AND ten (10) years of relevant work experience. 2. Certification meeting DoD 8570.01M requirements for IAM-1 (one of the following: CAP, CND, Cloud+, GSLC, Security+ CE. https://public.cyber.mil/cw/cwmp/dod-approved-8570-baseline-certifications/) (MUST provide a copy of the certification; won't count against total resume page limit) 3. Four (4) years of demonstrated experience in Risk Management Framework (RMF) to include performing ALL of the following: <ol style="list-style-type: none"> a. Analyzing / Implementing the Cloud Computing Security Requirements Guide (SRG) and cloud computing industry best practices.

		<ul style="list-style-type: none"> b. Analyzing / Implementing enterprise architecture/ design, cloud migration plans, generating auditing reports, performance, interoperability, and functionality. c. Evaluating risks associated with extending the network boundaries and data migration to a cloud environment. d. eMASS package development e. Assessment and Authorization (A&A) processes f. Testing and analysis of IA controls and secure configuration using the Assured Compliance Assessment Solution (ACAS) g. Analyzing system configuration per DISA STIG using STIGviewer, SCC, and OpenSCAP <p>4. Demonstrated knowledge of RMF National Institute of Standards & Technology (NIST)</p> <p>5. Qualified Navy Validator (QNV) or equivalent is preferred</p>
3.1	Cybersecurity Analyst I	<p>1. Bachelor’s or Associate’s Degree in (STEM), or an Information Technology (IT) related field AND four (4) years of relevant work experience, OR High School Diploma or equivalent AND six (6) years of relevant work experience.</p> <p>2. Commercial certification meeting or exceeding DoD 8570.01M requirements for IAM-1 (CompTIA Security+) (MUST provide a copy of the certification; won’t count against total resume page limit)</p> <p>3. Four (4) years of demonstrated experience in Risk Management Framework (RMF) to include ALL of the following:</p> <ul style="list-style-type: none"> a. Policy development and enforcement b. eMASS package development c. Assessment and Authorization (A&A) processes d. Navy Information Assurance Vulnerability Management (IAVM) and Computer Task Order (CTO) process and reporting e. Testing and analysis of IA controls and secure configuration using the Assured Compliance Assessment Solution (ACAS) f. Analyzing system configuration per DISA STIG using STIGviewer, SCC, and OpenSCAP <p>4. Demonstrated knowledge of RMF National Institute of Standards & Technology (NIST)</p>

Factor 2: Evaluation

The evaluation will consider the relevant experience, certifications and education of the offeror’s proposed personnel in performing work that is similar in nature, scope, magnitude and difficulty to that required in this task order as described in Table 3 above.

F. Special Provisions and Considerations.

- a. The TORFP included provisions
 - i. Organizational Conflicts of Interest (OCI) in accordance with H-TXT-06
 - ii. Representation Relating to Compensation of Former DoD Officials (Nov 2011)
 - iii. FAR 52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2019)
 - iv. FAR 52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2020)
 - v. FAR 52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Oct 2020)
 - vi. FAR 52.204-26 Covered Telecommunications Equipment or Services-Representation (Dec 2019)
 - vii. FAR 52.204-26 Covered Telecommunications Equipment or Services-Representation (Oct 2020)
 - viii. DFARS 252.204-7016 Covered Defense Telecommunications Equipment or Services—Representation (Dec 2019)
 - ix. DFARS 252.204-7017 Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services—Representation (Dec 2019), and
 - x. DFARS 252.225-7974 – Representation regarding business operations with the Maduro Regime (Deviation 2020-O0005) (Feb 2020)
- b. The TORFP also include additional subcontracting guidance which provides instructions to prime contractors on requirements to proposed a subcontractor not previously approved at the base contract.

G. Solicitation Review and Compliance. The task order is in agreement with the approved base contract Acquisition Strategy (AS) and Acquisition Plan (AP) No. 18-0066 approved on 22 March 2018. No changes have been made to the contract strategy within the approved AS and AP in the award of the current task order. Legal review of this task order is not required based on the estimated value.

H. Synopsis. A synopsis was issued prior to award of the basic contract. A separate synopsis for this task order is not required; see exception at FAR 5.202(a)(6).

SECTION IV – SOLICITATION.

The TORFP was issued to all eleven (11) IT MAC holders via email on 07 May 2020 with a proposal due date of 29 May 2020.

Four (4) Amendments were issued.

Amendment 01 was issued on 15 May 2020 to include Desired Personnel Qualifications and to respond to questions received during the RFP. The questions and answers are summarized below.

Amendment 02 was issued on 21 May 2020, which answered additional questions received after amendment 01 was issued. The proposal due date remained unchanged and ten (10) proposals were received on the proposal due date.

Amendment 03 was issue on 10 September 2020. The amendment was issued to address an ambiguity with the DOD 8570.01M qualification for the Cybersecurity Analyst II – IAM-1 position. To correct this error, the Government allowed offerors the ability to resubmit a revised resume for this one key personnel based on the amendment qualifications. If they decided to submit a replacement candidate, they were allowed to update their cost proposal's excel workbook only if there is a change in the direct (unburdened) labor rate. No other changes were to be made to the workbook. They were allowed to submit an addendum to the cost proposal narrative that provides payroll data or other information identifying the source of the proposed labor rate. The technical proposal submission requirements

remain unchanged as stated in TORFP Amendment 02 for the replacement resume. Proposal revisions were due to the government by 11am PST on 16 September 2020.

Amendment 04 was issued on 14 September 2020. Amendment 04 revised one of the qualifications for the Cybersecurity Analyst II – IAM-1 position. The RMF experience is changed back to four (4) years per the original RFP. The Government allowed offerors to submit a revised resume for this one key personnel based on the amendment qualifications. If they decided to submit a replacement candidate, they were allowed to update their cost proposal's excel workbook only if there is a change in the direct (unburdened) labor rate. No other changes were to be made to the workbook. They were allowed to submit an addendum to the cost proposal narrative that provides payroll data or other information identifying the source of the proposed labor rate. The technical proposal submission requirements remain unchanged as stated in TORFP Amendment 02 for the replacement resume. The government also responded to additional questions received. Proposal revisions were due to the government by 11am PST on 16 September 2020.

After amendment 04 was issued, the government responded to additional questions received. Responses were sent out on 15 September 2020.

At the conclusion of the solicitation, one (1) (b)(4) of the eleven (11) MAC Holders submitted a no-bid decision.

Questions and Answers provided as part of TORFP Amendment 0001

1. PG1, Table 1 – May program management hours be split between multiple personnel as long as the Government has a single POC with the authority to act in regard to the contract? A use case for this is to allow for a proposed sub to cover some costs of management of their personnel which in a cost-type contract is traditionally done by bidding a small number of management hours.

Answer – It is up to the contractor to determine how hours for each labor category will be split.

2. PG2, paragraph 1 – What is considered substantiating cost information?

Answer – Substantiating cost information is information provided to support the rates that are proposed. For example: a provisional indirect rate letter from DCMA/DCAA; a signed contingent letter of employment that shows the agreed upon labor rate; payroll stubs; tables and figures from the Excel cost workbook, etc.

3. PG2, paragraph 1 - Does the cover page an TOC count in the five pages for the cost narrative?

Answer – Cover page is outside the page count for the cost narrative.

4. PG3, paragraph 1.f.iii.3. – Can you confirm that you want the burdened hourly rate multiplied by 2080 and not 1920.

Answer – Amendment 01 removed the need for annualized labor costs.

5. PG2, paragraph 1.b. – Are the ODC costs provided by the Government through approved add-ons, such as G&A or the base cost and the contractor loads them with their add-ons?

Answer – There are no ODCs required for this requirement.

6. PG4, factor 1 – Please confirm that subcontractors may submit their CPARS directly to the Government either separately or as an addition to their sealed package. Many companies consider their CPARS to be proprietary data.

Answer – Confirming subcontractors may submit their CPARS directly to the Government as part of their sealed package.

7. PG7, Additional Provisions – Where within the submitted proposal should the offeror provide the assertions regarding the additional provisions within the FAR clauses? If within the cost narrative, please confirm they do not count towards the five page limit.

Answer – Please provide completed provisions as an attachment to the cost proposal. Assertions within the FAR clauses do not count towards the five page limit.

8. PG6, Table 2. The first Cybersecurity Analyst II requires an IAM-3 whereas the second one requires an IAM-1, please confirm that even though they are the same LCAT there are different DoD8570 Certification Requirements.

Answer – The qualifications listed in the TORFP for the key personnel positions are correct. For the non-key personnel filling the other “Cybersecurity Analyst I” and “Cybersecurity Analyst II” positions, refer to Attachment 7 - Desired Personnel Qualifications.

9. PG6, Table 2. The first Cybersecurity Analyst II requires an IAM-3 however the RFP Attachment 3 from the IDIQ contract (Personnel Quals) states a Cybersecurity Analyst 2 requires an IAM-1. Please confirm which Certification requirement is required for the Cybersecurity Analyst 2 hours listed on PG1, Table 1.

Answer – The qualifications listed in the TORFP for the two “Cybersecurity Analyst II” positions are correct as originally stated.

10. PG1, Table 1 – Please provide the DoD 8570 requirements per LCAT (or further broken out within each LCAT) to ensure appropriate base salaries are selected based on certification requirements. This question is being asked due to the discrepancies noted in the key personnel qualifications.

Answer – The qualifications listed in the TORFP for the key personnel positions are correct. Please refer to Attachment 7 - Desired Personnel Qualifications for all other positions.

11. On page 1, Table 1, the individual labor category hours do not total up to the total hours per year, or the total hours for the task order. Which is correct?

Answer – TORFP Amendment 01 corrects the labor hours table.

12. Please advise if an acronym list, table of contents, and cover page are desired for the technical volume by the government for purposes of organization of the proposal. If they are desired please confirm they do not count against the page limits.

Answer – An acronym list does not count towards the page count.

13. Can the government confirm the total hours for each Year and overall total?

Answer - See the response to question #11.

14. What is the performance location for TORFP 0003?

Answer – Refer to TORFP.

15. Estimate Effort (Table 1) of TORFP 0003 does not add up to the total 36,390 hours (19.25 FTEs) / Only reflects 23,520 hours for labor positions. Please clarify.

Answer – See the response to question #11.

Questions and Answers provided as part of TORFP Amendment 0002

16. Table 2. For the first Cybersecurity Analyst II labor category that requires a resume submission, does the Government require any certification beyond the single IAM-3 certification (CISSP or CISM) for personnel to fully comply with DoD 8570.01M?

Answer: No.

17. Table 2. For the second Cybersecurity Analyst II labor category that requires a resume submission, an IAM-1 certification usually requires a CompTIA Security+ at minimum. Can the Government confirm this key personnel role requires a CompTIA Security+ immediately, and the associated cloud certification (Cloud+, AWS or MS Azure) can be obtained within 6 months of the contract start date?

Answer: No, the proposed individual must possess the certification upon proposal submission.

18. Table 2. For the Cybersecurity Analyst I labor category that requires a resume submission, does the Government require any certification beyond the single IAM-1 certification (CompTIA Security+) for personnel to fully comply with DoD 8570.01M?

Answer: No.

19. Table 2. For the Cybersecurity Analyst I labor category that requires a resume submission, the experience requirement states “Bachelor’s Degree in (STEM), or an Information Technology (IT) related field AND two (2) years of relevant work experience...” while also requiring the following experience: “Four (4) years of demonstrated experience in Risk Management Framework (RMF) to include ALL of the following...” – Can the Government confirm having a Bachelor’s Degree and two (2) years of demonstrated experience in RMF is acceptable for this key personnel position?

Answer: See revised qualifications in TORFP amendment 0002.

20. Table 2. For the second Cybersecurity Analyst II labor category that requires a resume submission, can the Government confirm CompTIA Cloud Essentials is an acceptable cloud certification for this role?

Answer: See revised qualifications in TORFP amendment 0002.

21. Table 2. For the second Cybersecurity Analyst II (Cloud experience) labor category that requires a resume submission, it requires an IAM level I certification (Cloud+). Will NIWC accept a resume that meets the cloud experience in addition to the other requirements, but does not retain a Cloud+ certification.

Answer: No, the proposed individual must possess a certification upon proposal submission.

22. **Table 2 Key Labor Requirements** for Cybersecurity Analyst II states “commercial certification meeting or exceeding DoD 8570.01M requirements for IAM-3 (CISSP or CISM)”. However, the certification requirements in the DoD 8570.01-M designates CISM, CISSP, GSLC, and CCISO certifications as IAM-III. Will the government accept CISM, CISSP, GSLC, and CCISO certifications to fulfill the IAM-III requirements for the Cybersecurity Analyst II labor categories?

Answer: Yes, see revised qualifications in TORFP amendment 0002.

23. TORFP 0003 requires 3 key personnel resumes to be submitted for the RFP response with specific requirements. Additionally, the offeror agrees that during the first 120 days of the contract performance period no personnel substitutions will be permitted unless such substitutions are necessitated by an individual's sudden illness, death or termination of employment. Can you please clarify if the intent is not to hire incumbent key personnel if we are the successful offeror and not the incumbent. The way it is written can be perceived that this is skewed to the incumbent contractor.

Answer: The positions requiring resume submission have not been structured in a way to favor the incumbent. The intent of the desired qualifications is for the personnel filling these positions to possess the baseline knowledge and certifications that will enable them to perform required tasking upon award.

Questions and Answers provided after TORFP Amendment 0004

24. Please clarify the governments understanding of IAM-1 per 8570.1-M (your link provided returns a “404 Not found”)? Only a security certification is required, such as the CompTIA Security+ and offerors do not need to submit an operating system certification as those are only required for IAT designated positions.

Answer: As stated in the amended Table 2 and on the website referenced below, the following certifications are acceptable for IAM-1: CAP, CND, Cloud+, GSLC, Security+ CE.

<https://public.cyber.mil/cw/cwmp/dod-approved-8570-baseline-certifications/>

25. The RFP previously required a certification in cloud technologies such as “CompTIA Cloud+, Cloud Essentials, AWS, MS Azure, or equivalent”, This requirement aligns with the SOW/PWS for this task order and would show a key person would have a higher degree of successful performance under this contract. Now a compliant person really only needs a Security+ certification. If the government proceeds with the removal of the additional certification will the government assign a higher rating to key resumes exceeding the requirement with both a Security+ and Cloud certification?

Answer: This will be up to the Technical Evaluators and whether they believe there is merit or appreciable merit in exceeding the requirement that will be advantageous to the Government during contract performance. Even if a strength or significant strength is assigned, that doesn’t guarantee a higher overall rating for the Desired Key Personnel Experience technical factor.

By the closing of the TORFP, proposals were received from all IT Services MAC holders with exception to Sentar. All proposals were submitted prior to closing time at 10:00 PST on 29 May 2020. In response to RFP amendments 03 and 04 changing the qualifications for the Cybersecurity Analyst II – IAM-1 position, FreeAlliance, GovSG, Infinity, JTT, and NDTI submitted updated technical proposals, but had no changes to their cost proposal.

Table 4: Summary of Cost Proposals

Offeror	Base Year	Option Year 1	Option Year 2	Total Proposed CPFF	Total Most Probable Cost	
		(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)				
SDS	(b)(3) 10 U.S.C. § 2305(g), (b)(4)			\$7,579,451.54		
	(b)(3) 10 U.S.C. § 2305(g), (b)(4)				(b)(5)	

SECTION V – PRE-NEGOTIATION ANALYSIS.

A. Technical Evaluation. The technical evaluation board (TEB) consisted of (b)(6) NIWC Pacific Code 82400) and (b)(6) (NIWC Pacific Code 53424). Additional information on the technical evaluation can be seen in Section V.B below.

B. Past Performance Evaluation. See Section V(C) below.

C. Other Non-Cost Factor Evaluation. The evaluation of past performance is included in Attachment 6, Technical Evaluation Report dated 20 October 2020. The specific strengths and weaknesses are identified in the Technical Evaluation Report. The ratings are summarized in the table below:

Table 5: Summary of Technical Evaluations		
Offeror	Factor 1: Past Performance	Factor 2: Desired Key Personnel
	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	
SDS	Substantial Confidence	Acceptable
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)		

With regard to Past Performance, the technical code provided the following summaries of each offeror:

- (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

- **SDS – *Substantial Confidence***

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

Based on the offeror's recent/relevant performance record, a rating of **Substantial Confidence** is assigned.

-

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

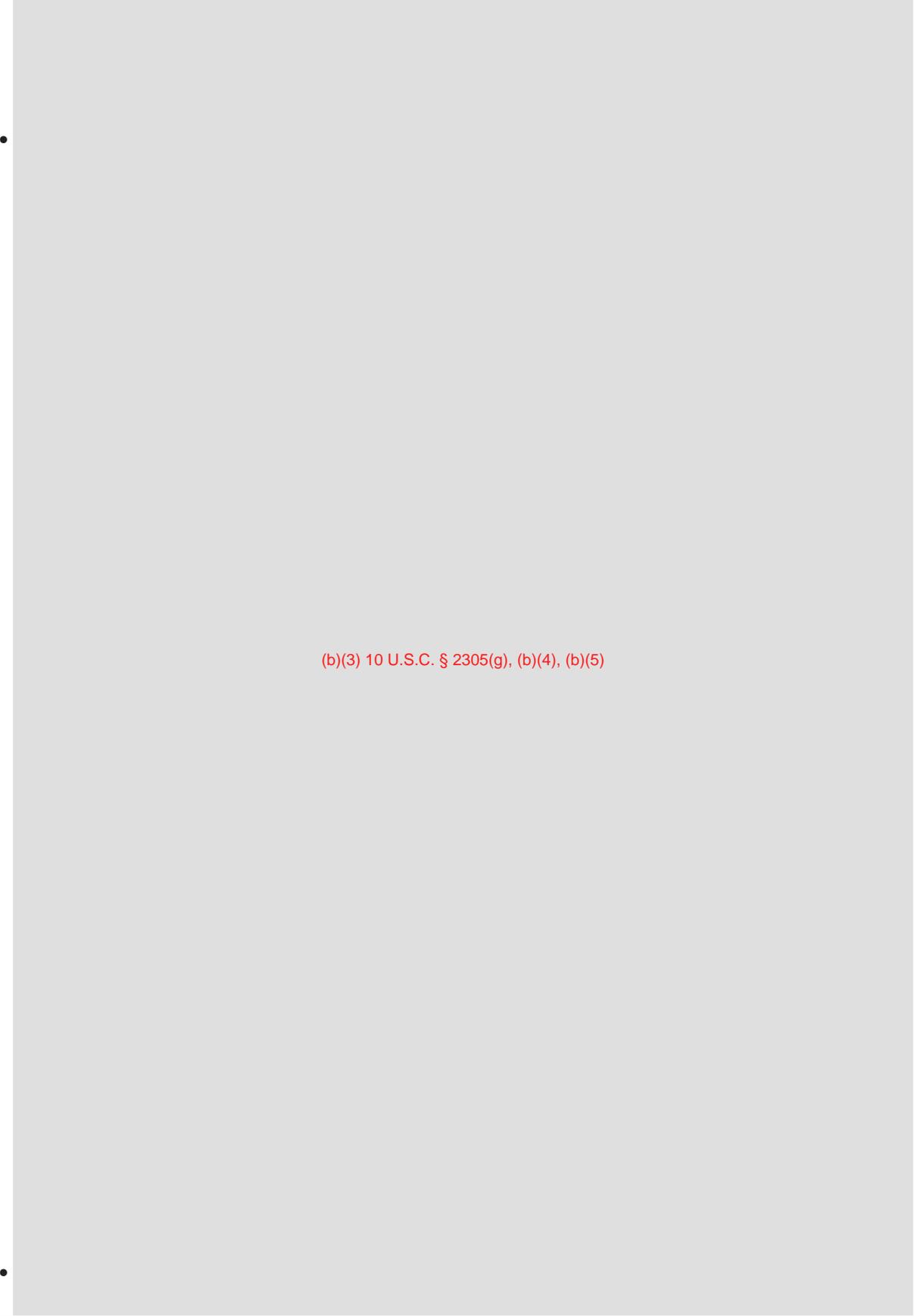
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

•

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

•

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

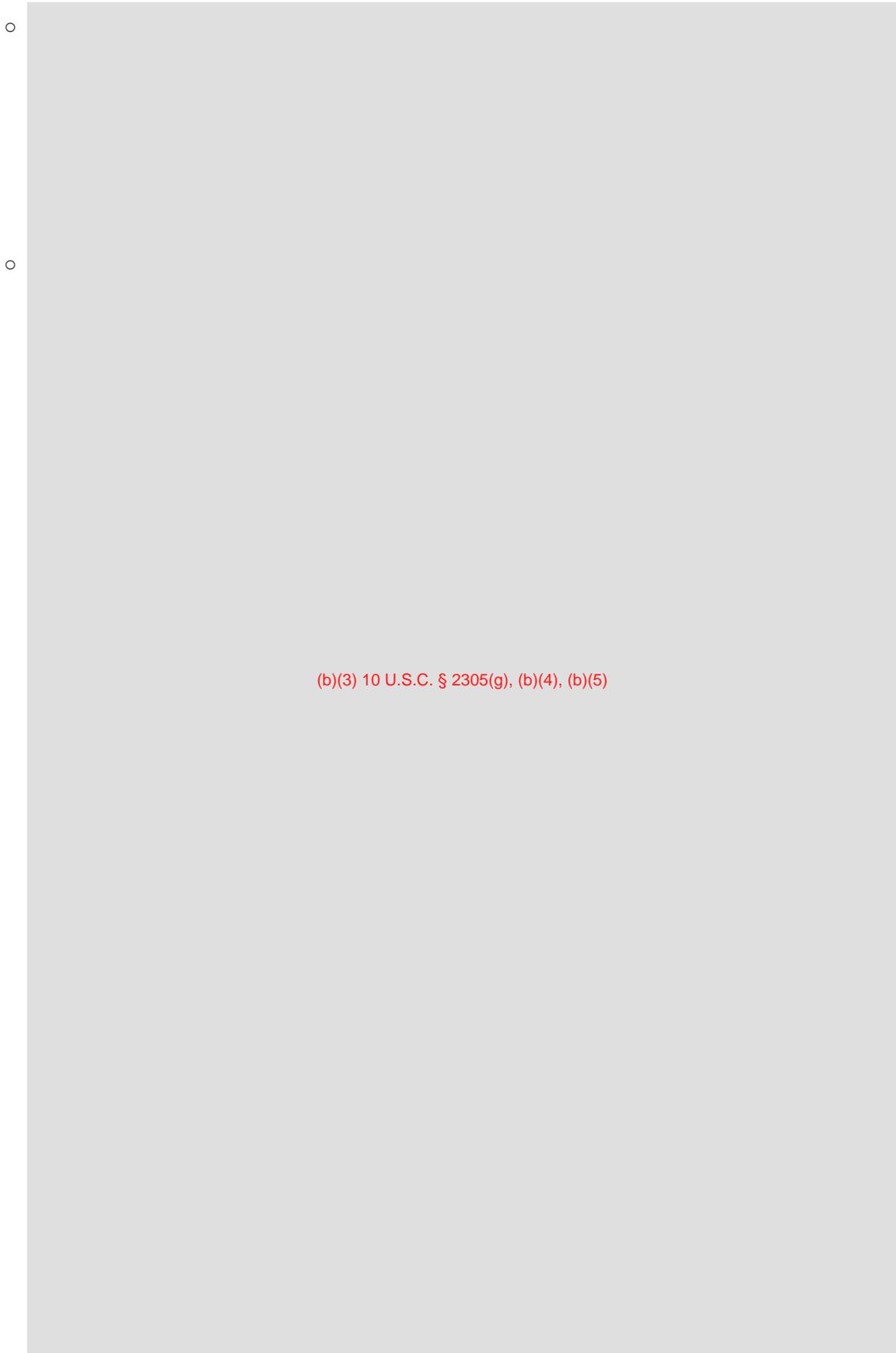


(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)



(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)



(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

With regard to Desired Key Personnel, the technical code provided the following summaries of each offeror:

-

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

- **SDS – Acceptable**

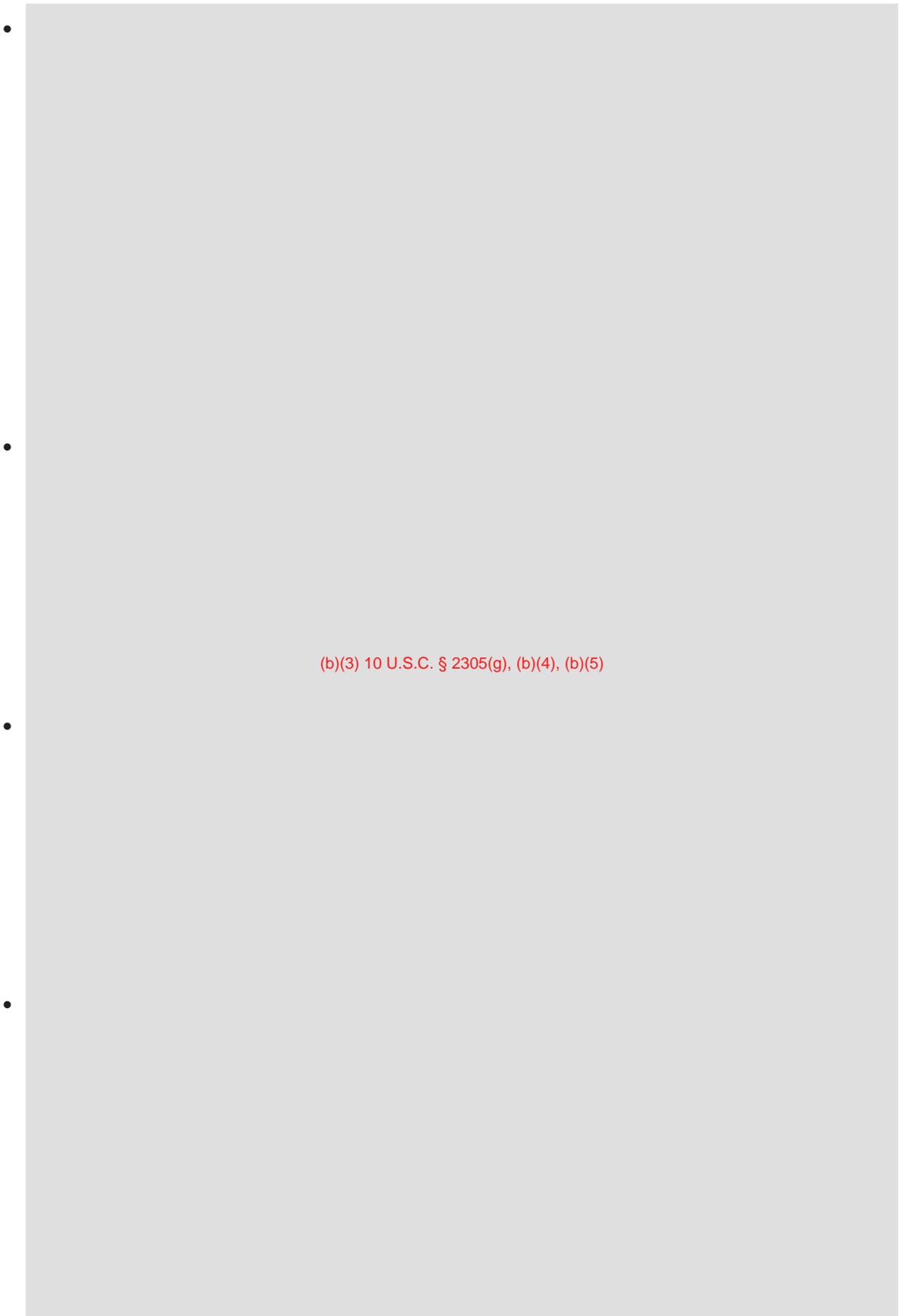
-

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) The most appropriate rating is therefore **Acceptable**

-

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)



•

•

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

•

•

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

D. Cost/Price and Profit/Fee Analysis (FAR 15.305(a)(1)).

1. Price Analysis (FAR 15.404-1(b)). As allowed in FAR 15.404-1(b)(2)(i), the contract specialist determined that the proposed prices are fair and reasonable based on adequate price competition. To establish adequate price competition, FAR 15.403-1(c)(1) states that the following must be true:

- i. Two or more responsible offerors, competing independently, submit priced offers to satisfy the Government's expressed requirement.
- ii. Award will be made to the offeror whose proposal represents the best value where price is a substantial factor in source selection; and
- iii. There is no finding that the price of the otherwise successful offeror is unreasonable. Any finding that the price is unreasonable must be supported by a statement of the facts and approved at a level above the contracting officer.

As all of the above elements of adequate price competition are present in this procurement, adequate price competition is established, and therefore prices are considered fair and reasonable.

Table 6: Price Comparison Summary			
Offeror	Proposed	Difference from IGCE	% Difference
IGCE	(b)(5)	\$0.00	0.00%
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)			
SDS	\$7,579,451.54	(b)(4), (b)(5)	
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)			

Discrepancies between proposed prices and the IGCE are the result of a combination of proposed direct labor rates, varying indirect rates, and fee. The contract specialist found that the IGCE’s estimated direct labor rates and estimated fee are (b)(5). For example, the IGCE estimated a fee of (b)(5) over offerors proposed fees between (b)(5). These discrepancies between the IGCE caused proposed prices to come in (b)(5) the IGCE.

- 2. Cost Evaluation (FAR 15.404.1(c)).** The Government evaluated proposed costs for offerors who were determined to provide the best value to the Government based on their technical rating. Proposed costs were evaluated for realism and reasonableness in accordance with FAR Subpart 15.4.

FAR 15.404-1(d)(1) states that cost realism analysis is the process of independently reviewing and evaluating specific elements of each offeror’s proposed cost estimate to determine whether the estimated proposed cost elements are realistic for the work to be performed. The proposal should reflect a clear understanding of the requirements; and are consistent with the unique methods of performance and materials described in the offeror’s technical proposal.

FAR 15.404-1(d)(2) states that cost realism analysis shall be performed on cost-reimbursement contracts to determine the proposal cost of performance for each offeror. The probable cost may differ from the proposed cost and should reflect the Government’s best estimate of the cost of any contract that is most likely to result from the offeror’s proposal. The probable cost shall be used for purposes of evaluation to determine the best value. The probable cost is determined by adjusting the offeror’s proposed cost to reflect any additions or reductions in cost elements to realistic levels based on the results of the cost realism analysis.

Lastly, in accordance with the TORFP, the Government will perform cost realism analysis on offerors that have a Performance Confidence Assessment rating of Substantial Confidence, Satisfactory Confidence or Neutral Confidence AND a Desired Key Personnel Experience rating of Acceptable or higher. The breadth of the cost realism analysis may be further limited to those offerors whose proposal(s) represent the most likely candidate(s) for award based on technical review and relative cost considerations.

Taking into consideration technical reviews, the contract specialist determined that (b)(5) and SDS would be the only offerors evaluated for cost. This determination was made since SDS and (b)(5) received the highest ratings for past performance (Substantial Confidence) and having Acceptable

or higher key personnel ratings while also taking into account their proposed costs (b)(4), (b)(5) and (b)(4), (b)(5) proposed costs in combination with their technical ratings did not represent likely candidates for award since both offerors received technical ratings lower than SDS and (b)(4), (b)(5) also proposed costs greater than SDS and (b)(4), (b)(5) weren't considered further for award based on their technical ratings and relative cost considerations compared to SDS and (b)(4), (b)(5)

The Government stated in the TORFP that the non-cost evaluation factors, when combined, will be of significantly more important than cost. Any proposal with a Performance Confidence Assessment of Limited Confidence or No Confidence AND a Desired Key Personnel Experience rating of Unacceptable or Marginal will be ineligible for award. As a result, (b)(4), (b)(5) ineligible for award due to its Limited Confidence past performance rating and Marginal key personnel rating and wasn't considered further for award.

Additionally, the Government also further didn't consider a proposal with a Performance Confidence Assessment of Limited Confidence or No Confidence OR a Desired Key Personnel Experience rating of Unacceptable or Marginal as these proposal(s) did not represent the most likely candidate(s) for award. As a result, (b)(4), (b)(5) weren't considered further for award based on their technical ratings and relative cost considerations compared to SDS and (b)(4), (b)(5)

Offerors who received a rating of "Neutral Confidence" were not evaluated in Step 3 (overall quality/confidence assessment) of Past Performance because their technical evaluations in Step 2 (relevancy determination) revealed that their experience was not relevant to this requirement. Since the non-cost evaluation factors are significantly more important than cost, the Government didn't consider those with a "Neutral Confidence" past performance rating and a "Marginal" Key Personnel rating likely candidates for award. As a result, (b)(4), (b)(5) n't considered further for award based on their technical ratings and relative cost considerations compared to SDS and (b)(4), (b)(5)

Table 7: Offeror Cost Evaluation					
Offeror	Past Performance	Key Personnel	Proposed	Difference from SDS	% Difference
SDS	Substantial	Acceptable	\$7,579,451.54	\$0.00	0.00%

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

Direct Labor Rates Analysis Summary. In order to determine the proposed direct labor rates fair, reasonable, and realistic, the contract specialist utilized data of labor rates provided by the Economic Research Institute (ERI) for all proposed direct labor as well as offeror-submitted payroll data/employment letter of intent for the key personnel positions. ERI's data is primarily derived from in-house salary surveys. Data is also extracted from publicly filed tax returns leased from other survey vendors or gained from Freedom of Information Act (FOIA) requests. Data that is collected from third-party sources are then matched to ERI's internal job descriptions. First, multiple independent raters go through the job descriptions in the surveys and match the jobs in the surveys to ERI's internal job descriptions. Factors such as level, education, industry and 98 additional hard metrics are considered for each job. The contract specialist compared the proposed

rates to the 10th percentile ERI rate for the corresponding category to determine if the proposed rates were fair, reasonable, and realistic. Comparisons were made to the 10th percentile because any direct labor rates proposed below the 10th percentile represented a risk of being unrealistically low. For the key personnel positions, the contract specialist compared the proposed rates against the submitted payroll/letter of intent documentation. If the offeror-submitted documentation does not support rates actually proposed and are below the 10th percentile, they will be adjusted upward. If the offeror-submitted documentation matches the proposed rates, they won't be adjusted upwards since it represents the current wage for specialized labor that this effort requires and in many instances are similarly located (or have been adjusted to a given geographical location).

Escalation Analysis Summary. Data provided by the Bureau of Labor Statistics (BLS) in its seasonally adjusted Employment Cost Index (ECI) for wages and salaries (<https://www.bls.gov/web/eci/echistrynaics.pdf>) shows that since June of 2009, annual escalation of "Professional, Scientific and Technical services" has ranged from 1.40% to 3.03% with an average escalation rate of 2.03%. More recently, according to the aforementioned ECI, the escalation rates for Professional, Scientific and Technical services have increased, averaging 2.34% from June 2016 to June 2020. Based on the historical escalation rates provided in the BLS ECI, the contract specialist determined that labor rate escalation of anywhere from (b)(5) fair, reasonable and realistic. Proposed escalation rates below (b)(5) will be adjusted upward to the minimum realistic rate (b)(5). SDS and its subcontractor proposed an escalation rate of (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5). With exception (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) the proposed escalation rates are considered fair, reasonable, and realistic. The contract specialist will adjust the proposed escalation (b)(4), (b)(5) and its subcontractor in the evaluation below.

Indirect Rates Analysis Summary. The proposed indirect rates were compared to the DCMA and/or DCAA information and any inconsistencies were noted and subject to cost realism adjustments as appropriate. Provisional Billing Rates (PBR) were relied upon for indirect information only in cases where forward pricing or incurred cost submission information was not available from DCMA or DCAA. If the proposed indirect rate was less than the indirect rate for the most recent year, an upward adjustment was applied for the difference.

Direct Labor Hours. In the TORFP, the Government provided MAC holders with an estimated effort of 110,880 hours (inclusive of one (1) base and two (2) 12-month options). SDS and (b)(4), (b)(5) proposed (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) estimated amount of hours. The Government took no exception and determined proposed labor fair and reasonable.

Table 8: Labor Mix and Hours		
Labor Category	TORFP Labor hours	SDS Proposed (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
Cybersecurity Analyst I*	23,040	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
Cybersecurity Analyst II**	46,080	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
Administrative Support	40,320	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
Program Manager	1,440	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
TOTAL	110,880	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

*For this labor category, the TORFP required one resume be submitted for the Desired Key Personnel Experience. The one resume is for one full-time equivalent (FTEs) to be proposed for 1,920 hours per year.

**For this labor category, the TORFP required two resumes be submitted for the Desired Key Personnel Experience. The two resumes are for two full-time equivalents (FTEs) to be proposed for 1,920 hours per year per FTE.

i. Strategic Data Systems (SDS)
a. Direct Labor Rates

PROPOSED: According to SDS, the direct labor rates (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

EVALUATED: As shown in the table below, SDS proposed base year direct labor rates that were (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5). Additionally the (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) herefore, the contract specialist determined SDS' proposed labor rates fair, reasonable, and realistic.

Additionally, SDS proposed (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) escalation range (b)(5) discussed in the Escalation Analysis Summary section above. Since the difference in (b)(4), (b)(5) escalation rate is (b)(4), (b)(5) the contract specialist took no exception and determined the proposed escalation rate as fair, reasonable, and realistic.

Table 9: SDS Direct Labor Rates

Labor Category	Key Personnel	Proposed Direct Labor	ERI Labor Category	ERI (10 th percentile)	Payroll/Letter of Intent
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)			Program Manager I	\$44.64	
			Cybersecurity Analyst I	\$36.80	
			Cybersecurity Analyst II	\$49.79 (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	
			Cybersecurity Analyst II	\$49.79	
			Administrative Support I	\$16.67	

b. **Indirect Rates.** According to SDS, their proposed indirect rates are based on (b)(4), (b)(5) (b)(4), (b)(5). The contract specialist contacted DCAA and requested SDS' most recent indirect rates. On 30 June 2020, (b)(6) provided the contract specialist with SDS' FY2020 PBR dated 11 May 2020. Below are the contract specialist's findings.

Table 10: SDS Indirect Rates

Proposed	Proposed Composite Rates Base Year and Option Years 01-02	Allocation Base	DCAA FY2020 PBR	Base Year Delta
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)		Labor		
		Labor + Fringe	(b)(4), (b)(5)	
		Labor + Fringe + OH		

i. **Fringe Benefits.** SDS proposed an (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) (b)(4), (b)(5) and therefore considered fair, reasonable, and realistic.

ii. **Overhead (OH).** SDS proposed an OH rate of (b)(4), (b)(5) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) therefore considered fair, reasonable, and realistic.

iii. **General and Administrative (G&A).** SDS proposed a (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) herefore considered fair, reasonable, and realistic.

c. **Subcontractors.** SDS proposed (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

Cost Element	Proposed	Evaluated	Delta
Direct Labor	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)		
G&A Fee		(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	
Total Subcontractor Cost			
Prime M&S on Sub			
Prime G&A on Sub			
Total Prime Applied Indirects			
TOTAL COST			

(b)(3) 10 U.S.C. § 2305(g), (b)(4)

a. Direct Labor

PROPOSED: (b)(3) 10 U.S.C. § 2305(g), (b)(4)

(b)(3) 10 U.S.C. § 2305(g), (b)(4) direct labor rates are based on their Forward Pricing Rate Proposal (dated 8 May 2020) submitted to the Defense Contract Management Agency (DCMA).

EVALUATED: As shown in the table below, (b)(3) 10 U.S.C. § 2305(g), (b)(4) direct labor rates were (b)(3) 10 U.S.C. § 2305(g), (b)(4) ERI comparison rates. Additionally the (b)(3) 10 U.S.C. § 2305(g), (b)(4) (b)(3) 10 U.S.C. § 2305(g), (b)(4) herefore, the contract specialist determined (b)(3) 10 U.S.C. § 2305(g), (b)(4) proposed labor rates fair, reasonable, and realistic.

Additionally, (b)(3) 10 U.S.C. § 2305(g), (b)(4) Since the proposed escalation rate falls within the acceptable escalation range, the contract specialist determined the proposed escalation rate fair, reasonable, and realistic.

(b)(3) 10 U.S.C. § 2305(g), (b)(4) **Table 12: Direct Labor Rates**

Labor Category	Key Personnel	Proposed Direct Labor Rate	ERI Labor Category	ERI (10 th percentile)	Payroll/Letter of Intent
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)			Cybersecurity Analyst II	\$49.79	
			Cybersecurity Analyst I	\$36.80	
			Cybersecurity Analyst II	\$49.79	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
			Administrative Support I	\$16.67	

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

Program Manager III
Program Manager I

\$63.05
\$44.64

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

b. **Indirect Rates.** According to (b)(3) 10 U.S.C. § 2305(g), (b)(4)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) The contract specialist contacted DCMA and requested (b)(3) 10 U.S.C. § 2305(g), (b)(4) recent FPRR. On 20 August 2020 (b)(6) (b)(7) provided (b)(3) 10 U.S.C. § 2305(g), (b)(4) FPRR dated 07 July 2020. The contract specialist found that (b)(4), (b)(5) proposed composite indirect labor rates. Below are the contract specialist's findings:

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) **Table 13 Indirect Rates**

Proposed

Proposed Composite Rates Base Year and Option Years 01-02

Allocation Base

DCMA FY2020 FPRR

Base Year Delta

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

a.

b.

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

c.

d.

e.

f.

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

g.

- c. **Prime Applied Indirects - Material Handling and Subcontract Administration (M&S).** SDS proposed (b)(3) 10 U.S.C. § 2305(g), (b)(4) see Section V(D)(2)(i)(b) above for discussion on SDS' G&A rate. The contract specialist utilized SDS' FY2020 PBR dated 11 May 2020. See the table below for a comparison of the proposed rate versus SDS' FY2020 PBR.

Table 14: Prime Applied Indirect Rate

Indirect Rate	Proposed Composite Rates Base Year and Option Years 01-02	Allocation Base	DCAA FY2020 PBR	Delta
M&S	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)			

Since SDS' proposed rate (b)(3) 10 U.S.C. § 2305(g), (b)(4) the contract specialist took no exception and determined the proposed rate fair, reasonable, and realistic.

As a result of (b)(4), (b)(5) adjustments of (b)(3) 10 U.S.C. § 2305(g), (b)(4) (b)(4), (b)(5)
(b)(4), (b)(5)

Table 15: SDS Evaluation Summary

Cost Element	Proposed	Evaluated	Delta
Direct Labor	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)		
Fringe Benefits			
Overhead			
G&A			
Total Prime Direct & Indirect Labor			
Sub - (b)(3) 10 U.S.C. § 2305(g), (b)(4)	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)		
Sub -			
M&S on Sub			

G&A on Sub	
Total Subcontractor Cost	
Total Cost	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
Prime Contractor Fee for Prime Contractor Labor	
Total Fee	
TOTAL CPFF	\$7,579,451.54 (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

Overall, the contract specialist's evaluation revealed (b)(4), (b)(5)
 (b)(4), (b)(5) he contract specialist took no exception and determined SDS' proposed cost fair, reasonable, and realistic.

(b)(ii) 10 U.S.C. § 2305(g), (b)(4)

a. Direct Labor Rates

PROPOSED: According to (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
 (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

EVALUATED: As shown in the table below (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
 (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) **Table 16 Proposed Labor Rates**

Labor Category	Key Personnel	Proposed Direct Labor Rate	ERI Labor Category	ERI (10 th percentile)	Payroll/Letter of Intent
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)			Cybersecurity Analyst II	\$49.79	
			Cybersecurity Analyst I	\$36.80	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
			Cybersecurity Analyst II	\$49.79	

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	Administrative Support II	\$18.75	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)
	Program Manager I	\$44.64	

Additionally, (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) proposed an annual escalation rate of (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) compared to the acceptable escalation range of (b)(5). Since the proposed escalation rate falls outside the acceptable escalation range, the contract specialist (b)(5)

As a result of the (b)(5) to escalation and (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

b. **Indirect Rates.** According to (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) proposed indirect rates are based on (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) the contract specialist contacted DCAA on 26 June 2020 and requested (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) indirect rates. On 20 July 2020, (b)(6) provided the contract specialist with (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) PBR dated 06 May 2020. Below are the contract specialist's findings:

Table 17: (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) Indirect Rates

Proposed	Proposed Composite Rates Base Year and	Allocation Base	DCAA FY2020 PBR	Base Year Delta
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)		Labor		
		Labor + Fringe	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	
		Labor + Fringe + OH		

i. **Fringe Benefits (FB):** (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) and therefore considered fair, reasonable, and realistic.

ii. **Overhead (OH):** (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) and therefore considered fair, reasonable, and realistic.

iii. **General and Administrative (G&A):** (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) and therefore considered fair, reasonable, and realistic.

As a result of (b)(5)

c. **Subcontractors.** (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) provided the Government with a separate un-sanitized proposal. The contract specialist verified that the cost proposal (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) and the cost proposal under (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) un-sanitized proposal exactly matched. Since the cost of both proposals matched, the contract specialist evaluated (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) sanitized cost proposal.

Table 18: (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) Evaluation Summary

Cost Element	Proposed	Evaluated	Delta
Direct Labor			
Fringe Benefits		(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	
Overhead (Client Site)			

G&A

Fee

Total Subcontractor Cost

M&S on Sub

Total Prime Applied Indirects

TOTAL COST

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4)

a. Direct Labor Rates.

PROPOSED: According to (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

EVALUATED: As shown in the table below, all of (b)(3) 10 U.S.C. § 2305(g), (b)(4) proposed direct labor rates were ERI (b)(3) 10 U.S.C. § 2305(g), (b)(4) comparison rates. Additionally, the (b)(3) 10 U.S.C. § 2305(g), (b)(4) (b)(3) 10 U.S.C. § 2305(g), (b)(4)

Table 19 (b)(3) 10 U.S.C. § 2305(g), (b)(4) Direct Labor Rates

Labor Category	Key Personnel	Proposed Direct Labor Rate	ERI Labor Category	ERI (10 th percentile)	Payroll/Letter of Intent
(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)			Program Manager I	\$44.64	
			Cybersecurity Analyst I	\$36.80	(b)(3) 10 U.S.C. § 2305(g), (b)(4)
			Cybersecurity Analyst II	\$49.79	
			Cybersecurity Analyst II	\$49.79	

Additionally, (b)(3) 10 U.S.C. § 2305(g), (b)(4) proposed an annual escalation (b)(3) 10 U.S.C. § 2305(g), (b)(4) in comparison to the acceptable escalation (b)(3) 10 U.S.C. § 2305(g), (b)(4) range. Since the proposed escalation falls (b)(3) 10 U.S.C. § 2305(g), (b)(4) acceptable escalation range, the contract specialist escalated the proposed (b)(3) 10 U.S.C. § 2305(g), (b)(4) rates (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

As a result (b)(5) (b)(5)

b. Indirect Rates. According (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

Table 20 (b)(3) 10 U.S.C. § 2305(g), (b)(4) Direct Rates

Proposed	Proposed Composite Rates Base Year and Option Years 01-02	Allocation Base	DCMA FY2020 FPRR	Base Year Delta
	(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	Direct Labor Direct Labor + Fringe Direct Labor + Fringe + Overhead		(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

a. Fringe Benefits. U.S.C. § 2305(g) and a Fringe rate of (b)(3) 10 U.S.C. § 2305(g), (b)(4) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) and therefore considered fair, reasonable, and realistic.

b. Overhead. U.S.C. § 2305(g) and an Overhead rate of (b)(3) 10 U.S.C. § 2305(g), (b)(4) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) and therefore considered fair, reasonable, and realistic.

c. G&A. U.S.C. § 2305(g) and a G&A rate of (b)(3) 10 U.S.C. § 2305(g), (b)(4) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) and therefore considered fair, reasonable, and realistic.

As a result of (b)(5) (b)(5)

Therefore, (b)(5)

d. Prime Applied Indirect Rates M&S. According to (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

See the table below for a comparison of the proposed rates versus FY2020 PBR. (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

Table 21: Prime Applied Indirect Rate

Indirect Rate	Proposed Composite Rates Base Year and Option Years 01-02	Allocation Base	DCAA FY2020 PBR	Delta
M&S		(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)		

Since (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) the contract specialist took no exception and determined the proposed rate fair, reasonable, and realistic.

As a result (b)(5) (b)(6)

Table 22 U.S.C. § 2305(g), (b)(4) **Cost Summary**

Cost Element	Proposed	Evaluated	Delta
Direct Labor			
Fringe Benefits			
Overhead			
G&A			
Total Prime Direct & Indirect Labor			
Sub -			
(b)(3) 10 U.S.C. § 2305(g), (b)(4)			
Sub -			
M&S on Sub		(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)	
Total Subcontractor Cost			
Total Cost			
Prime Contractor Fee for Prime Contractor Labor			
Prime Contractor Fee for Subcontractor Labor			
Total Fee			
TOTAL CPFF			

Overall, the contract specialist's evaluation revealed (b)(3) 10 U.S.C. § 2305(g), (b)(4) (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) proposed cost fair, reasonable, and realistic.

3. **Fee.** (b)(3) 10 U.S.C. § 2305(g), (b)(4) Fee is not addressed in the cost realism analysis. DFAR 215.404-4(c)(1) eliminates the need for profit analysis when assessing cost realism in competitive acquisitions.

4. **Trade Off Analysis.** According to TORFP 0003, offerors were informed that this is a best value trade off procurement, i.e., the offer which represents the greatest overall value to the Government, price and non-price factors considered, will be selected for award. Neither the low cost, nor the highest technically rated proposal will automatically receive the award. Cost and non-cost factors will both be considered in making the trade-off decision.

Offerors were advised that the Government will evaluate offers for award purposes by adding the total cost and fixed fee for the option year(s) to the total cost and fixed fee for the basic requirement. The Government will perform cost realism analysis on offerors that have a Performance Confidence Assessment of Substantial Confidence, Satisfactory Confidence or Neutral Confidence. The breadth of the cost realism analysis may be further limited to those offerors whose proposal(s) represent the most likely candidate(s) for award based on technical review and relative cost considerations. As previously stated, (b)(3) 10 U.S.C. § 2305(g), (b)(4) were the only contractors evaluated for cost realism. See Section V.D.2 above for information why SDS (b)(3) 10 U.S.C. § 2305(g), (b)(4) were the only contractors evaluated.

Within the non-cost factors, Factor 1 (Past Performance) is more important than Factor 2 (Desired Key Personnel). All non-cost evaluation factors, when combined, will be of significantly more importance than cost. Offerors were advised that all non-cost evaluation factors, when combined, will be of significantly more importance than cost.

The Contracting Officer utilized the technical evaluation report in conjunction with the cost realism evaluation for tradeoff analysis. The Contracting Officer independently reviewed the technical evaluation and determined the evaluation to be accurate, consistent, and supported in accordance with the evaluation criteria.

The Contracting Officer completed a comparative assessment of both offeror's ratings, strengths, weaknesses, and determined an award to SDS for \$7,579,451.54 as detailed below. Price reasonableness is validated via the competitive nature of the proposals received.

Table 23: Trade Off Analysis

Contractor	Past Performance	Key Personnel	Proposed	Most Probable Cost	Difference from Lowest Most Probable Cost
SDS	Substantial	Acceptable	\$7,579,451.54	(b)(4), (b)(5)	(b)(4), (b)(5)

Taking into consideration the rating sheet for Past Performance, "Substantial confidence" is defined as "Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort."

SDS provided (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) based on the SDS' recent/relevant performance record, the technical code assigned SDS a rating of **Substantial Confidence**.

(b)(3) 10 U.S.C. § 2305(g), (b)(4)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) Based on the (b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) recent/relevant performance record, the technical code assigned ISS a rating of **Substantial Confidence**.

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5)

(b)(3) 10 U.S.C. § 2305(g), (b)(4), (b)(5) SDS is selected for award in the amount of \$7,579,451.54 (base plus two 12-month options). This clearance constitutes the Contracting Officer's fair opportunity selection decision in accordance with FAR 16.505.

SECTION VI – OTHER PRE-NEGOTIATION INFORMATION.

- A. Comparison of pre-position to historical prices in constant and then year dollars, if not done as part of cost or price analysis.** Refer to Section III.C. Historical prices were not used in the cost or price analysis, however, the Government SME considered historical prices from similar efforts on previous orders in developing the IGCE.
- B. If applicable, discuss exemptions requested to Buy American, Berry Amendment, specialty metals restrictions, or other requirements of the solicitation.** Not applicable to this procurement.
- C. If data for competitive re-procurement is being purchased, discuss cost, delivery and whether the Government will get unlimited rights.** Not applicable to this procurement.

D. If applicable, identify offerors and attendees at pre-negotiation and fact finding sessions. Document when sessions were held and what was included in the sessions. Identify any other exchanges with offerors after receipt of proposals. (FAR 15.306) Not applicable to this procurement.

E. Not-to-exceed prices. Not applicable to this procurement.

SECTION VII - DECISION TO PROCEED.

A. Indicate whether discussions/negotiations are necessary or why they will generate a better value to the Government. Not applicable to this procurement.

B. Competitive range (FAR 15.306(c)). Not applicable to this procurement

SECTION VIII – PRE-AWARD COMPLIANCES.

Identify if N/A, satisfied at the basic contract, or Applicable	DOCUMENT/APPROVAL CHECKLIST	DATE
Satisfied at Basic Contract	Determination of Responsibility (FAR 9.103) and financial stability (FAR 9.104-1(a))	18 June 2018
Applicable	System for Award Management (SAM) and FAPIIS check completed	02 November 2020
Not Applicable	HCA Waiver of Cost or Pricing Data (FAR 15.403-1)	
Not Applicable	Certificate of Current Cost or Pricing Data (FAR 15.406-2)	
Not Applicable	Contractor’s Estimating System determined acceptable by ACO (DFARS 215.407-5)	
Not Applicable	Pre-Award Disclosure Statement - Cost Accounting Practices and Certification (FAR 15.408)	
Applicable	Contractor’s Accounting System determined adequate by CAO/DCAA (FAR 16.301-3)	08 August 2005
Not Applicable	Disclosure Statement determined current, accurate and complete by ACO (FAR 42.302(a)(11)).	
Not Applicable	Contractor EVMS verified compliant with DoD criteria by DCMA (DFARS 242.302(S-71)).	
Not Applicable	Contractor Purchasing System determined to be approved by the ACO (FAR 44.304)	
Not Applicable	Property System reviewed for acceptability by ACO (FAR 45.105).	
Not Applicable	Compliance with DoD Instruction 7640.02	
Satisfied at Basic	Compliance with requirement for non-commercial item contracts over the SAT to include a statement that the proposed contractor is current with its submission of the VETS-4212 Report to the Department of Labor’s VETS-4212 Database (FAR Subpart 22.1302). The Department of Labor’s VETS-4212 Database may be accessed at the following link: http://www.dol.gov/vets/vets4212.htm	28 September 2019

SECTION IX – POST-NEGOTIATION.

Not applicable. Negotiations were not held.

